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PART III—SECTION 4

Miscellaneous Notifications including Notifications, Orders, Advertisements and Notices issued by Statutory Bodies

RESERVE BANK OF INDIA NOTIFICATION

Bombay, the 30th September 1959

No. 7—Shri V. Venkatasubramanian, officiating Banking Officer, Reserve Bank of India, Department of Banking Operations, Trivandrum was on special duty from 13th July to 12th September 1959. He proceeded on leave with effect from 14th September 1959.

2. Shri S. T. Peeran, Banking Officer, Reserve Bank of India, Department of Banking Operations, Madras was on special duty from 13th July to 12th September 1959.

3. On return from leave Dr. S. B. Mahabal is reposted as Assistant Chief Officer, Reserve Bank of India, Agricultural Credit Department, Bombay with effect from 2nd September 1959.

4. Shri R. M. Mathur, Officer on Special Duty proceeded on leave with effect from 8th September 1959.

5. Shri Mangesh S. Nadkarni, Assistant Chief Officer, Reserve Bank of India, Department of Banking Operations, Bombay is posted in the same capacity to the Reserve Bank of India, Department of Banking Development, Bombay with effect from 8th September 1959.

6. Shri P. K. Das Gupta, Deputy Chief Officer, Reserve Bank of India, Industrial Finance Department, Bombay is appointed to carry out the current duties of the Chief Officer of that Department in addition to his own with effect from 9th September, 1959 vice Shri K. C. Mitra placed on Special Duty.

7. Shri S. K. Bose is appointed to officiate as Banking Officer, Reserve Bank of India, Department of Banking Operations, Trivandrum with effect from 15th September 1959.

8. Shri V. S. L. Narasimhan, officiating Banking Officer, Reserve Bank of India, Department of Banking Operations, Madras reverted as Superintendent with effect from the close of business on 15th September 1959.

9. On return from leave Shri J. Ranganatha Rao is reposted as officiating Accountant, Reserve Bank of India, Nagpur with effect from the close of business on 15th September 1959 vice Shri K. N. Devrukhaker transferred.

10. On return from leave Shri P. Krishna Iyer is reposted as Assistant Chief Officer, Reserve Bank of India, Department of Banking Operations, Bombay with effect from 17th September 1959.

11. Shri A. D. Prabhu, Currency Officer, Reserve Bank of India, Issue Department, Bombay is entrusted with the current duties of the Manager, Reserve Bank of India, Bombay in addition to his own with effect from 17th September 1959 vice Shri B. V. Desai proceeded on leave.

12. Shri S. S. Williams is appointed to officiate as Assistant Currency Officer, Reserve Bank of India, Issue Department, Madras with effect from the close of business on 19th September 1959 vice Shri M. V. Ranganathan.

13. Shri W. Martyres is appointed to officiate as Accountant, Reserve Bank of India, Public Debt Office, Bangalore with effect from the close of business on 19th September 1959 vice Shri S. R. Shiraly.

14. Shri S. R. Shiraly is appointed to officiate as Manager and Currency Officer, Reserve Bank of India, Bangalore with effect from the close of business on 19th September 1959 vice Shri P. C. Sood proceeded on leave.

15. Shri D. D. Bhargava, officiating Banking Officer, Reserve Bank of India, Department of Banking Operations, Bombay is posted in the same capacity to the Reserve Bank of India, Department of Banking Operations, Calcutta with effect from 21st September 1959.

16. On return from leave Shri B. R. Oka is reposted as Banking Officer, Reserve Bank of India, Department of Banking Operations, Bombay with effect from 21st September 1959.

17. Shri Ramdittamal is appointed to officiate as Assistant Accountant, Reserve Bank of India, Public Accounts Department, New Delhi with effect from the close of business on 21st September 1959 vice Shri M. N. Kundu.

18. Shri K. N. Devrukhaker is posted as Accountant, Reserve Bank of India, Deposit Accounts Department, Bombay with effect from the close of business on 22nd September 1959 vice Shri C. K. Bhaskaran transferred.

19. Shri M. N. Kundu is posted as Accountant, Reserve Bank of India, Deposit Accounts Department, New Delhi with effect from the close of business on 23rd September 1959 vice Shri D. N. Renjen placed on special duty.

20. Shri B. K. Jain is appointed to officiate as Banking Officer, Reserve Bank of India, Department of Banking Operations, New Delhi with effect from 24th September 1959.

21. Kumari S. N. Hajare is appointed to officiate as Banking Officer, Reserve Bank of India, Department of Banking Operations, Bombay with effect from 24th September 1959.

B. VENKATAPPIAH
Deputy Governor

STATE BANK OF INDIA NOTIFICATIONS

Bombay, the 30th September 1959

S.B.S. No. 3/59—The following regulations made by the State Bank of India, with the approval of the Reserve Bank of India, under section 63 of the State Bank of India (Subsidiary Banks) Act, 1959, are published for general information:—

SUBSIDIARY BANKS GENERAL REGULATIONS, 1959

In exercise of the powers conferred by section 63 of the State Bank of India (Subsidiary Banks) Act 1959 (38 of

1959), the State Bank of India, with the approval of the Reserve Bank of India, has made the following regulations, namely:—

CHAPTER I

INTRODUCTORY

1. Short title and commencement

(1) These regulations may be called the Subsidiary Banks General Regulations, 1959.

(2) They shall come into force on the appointed day.

2. Definitions

In these regulations unless there is anything repugnant in the subject or context,—

(a) "the Act" means the State of India (Subsidiary Banks) Act, 1958 (38 of 1959);

(b) "approved security" means any one or more of the following securities:—

(i) Stocks, funds and securities (other than immovable property) in which a trustee may invest trust money under any law for the time being in force in India;

(ii) debentures or other securities for money issued by or on behalf of a district board, municipal committee or other local authority, under any law for the time being in force in India;

(iii) subject to such general or special directions as may be issued by the board

(a) debentures and fully paid shares of corporations (other than companies registered under any law relating to companies) established by or under any law for the time being in force in India; and

(b) debentures of companies with limited liability registered under any law relating to companies either in India or in such other country as the Central Government may approve in this behalf;

(iv) receipts, certificates or any other form of instrument issued by the subsidiary bank in evidence of or representing amounts deposited with it;

(v) goods (other than shares or securities) which are deposited with, or, if authorised by special directions of the State Bank, hypothecated to, the subsidiary bank as security for advances, loans or credit; and

(vi) documents of title to goods assigned to the subsidiary bank as security for advances, loans or credits.

(c) "the Board" in relation to a subsidiary bank means the board of directors of that subsidiary bank;

(d) "chairman" means the Chairman of the State Bank.

(e) "company" means any company as defined in section 3 of the Companies Act, 1956 and includes a foreign company within the meaning of section 591 of that Act and any body corporate incorporated by or under any law for the time being in force; and

(f) other expressions used but not defined in these regulations and used in the Act have the meanings respectively assigned to them in the Act.

CHAPTER II

SHARES AND SHARE REGISTERS

3. Shares movable property

The shares of a subsidiary bank shall be moveable property.

4. Control over shares and registers

(1) Subject to the provisions of the Act and these regulations, the register of shareholders of a subsidiary bank shall be maintained by, and be under the control of, the Board and the decision of the Board as to whether or not a person is entitled to be registered as a holder in respect of any share shall be final.

(2) In particular, and without prejudice to the foreign provision, the Board shall, as regards the entries in the register of shareholders of that bank, have the power to examine and pass or refuse to pass transfers and transmissions and to approve or refuse to approve transferees of shares and to give certificates of shares.

5. Parties who may not be registered as shareholders

(1) Except as otherwise provided by these regulations, no minor or person who has been found by a Court of competent jurisdiction to be of unsound mind shall be entitled to be registered as a shareholder.

(2) In the case of firms, shares shall be registered in the names of the individual partners, and no firm, as such, shall be entitled to be registered as a shareholder.

6. Particulars to be entered in the share register

(1) In addition to the particulars specified in section 21 of the Act, the following particulars shall be entered in the register of shareholders:

(i) the manner in which each shareholder acquired his share or shares, and except in the case of allotment of shares to the State Bank in respect of a new bank under sub-section (2) of Section 7 of the Act, in respect of the Hyderabad Bank under sub-section (2) of section 10 of the State Bank of Hyderabad Act, 1956, and in respect of the Saurashtra Bank under sub-section (2) of Section 6 of the Saurashtra State Bank (Amalgamation) Ordinance, 1950, the name of the previous holder;

(ii) whether the shareholder belongs to one of the categories of shareholders referred to in the proviso to section 19 of the Act, and if so, the category to which he belongs;

(iii) when any person ceases to be a shareholder, the name of the person in whose favour the share or shares are transferred; and

(iv) such further particulars as the Board may specify.

(2) In the case of joint holders of any shares, their names and other particulars required by sub-regulation (1) shall be grouped under the name of the first of such joint holders.

(3) A shareholder resident outside India shall furnish to the subsidiary bank an address in India and such address shall be entered in the register and be deemed to be his registered address for the purposes of the Act and these regulations.

7. Exercise of rights of joint holders

If any share stands in the name of two or more persons the person first named in the register shall, as regards voting, receipt of dividends, service of notices and all or any other matter connected with the subsidiary bank, except the transfer of the shares, be deemed the sole holder thereof.

8. Inspection of register

(1) The register of shareholders of a subsidiary bank shall, except when closed under the provisions of these regulations, be open to the inspection of any shareholder free of charge, at the place where it is maintained during business hours, subject to such reasonable restrictions as the subsidiary bank may impose, but so that not less than two hours in each working day shall be allowed for inspection.

(2) A shareholder shall not have the right himself to make a copy of any entry in the register, but may, except when the register is closed, require a copy of the register or of any part thereof on prepayment therefor at the rate of fifty naye paise for every hundred words or fractional part thereof required to be copied.

9. Closing of share register

(1) The Board may close the register of shareholders for any period or periods not exceeding in the aggregate two months in each year but not exceeding one month at any one time.

(2) A notice of the close of the register shall be published in the Gazette of India and also in at least two principal daily newspapers circulating at the place where the head office of the subsidiary bank is situate.

10. Share certificates

(1) Every share certificate shall be issued under the common seal of the subsidiary bank and shall specify the number and denoting numbers of the shares in respect of which it is issued.

(2) A share certificate under the common seal of a subsidiary bank specifying the share/shares held by any shareholder of that bank shall be *prima facie* evidence of the title of the shareholder to such share.

11. Issue of share certificates free of charge

(1) A shareholder of a subsidiary bank shall be entitled, free of charge, to one certificate for each five shares of that bank registered in his name on any one occasion, and one additional share certificate for the number of shares in excess of a multiple of but less than five shares.

(2) If the number of shares to be registered is less than five, one certificate shall be issued free of charge for all the shares.

(3) If any shareholder requires more certificates than the number to which he is entitled free of charge, under this regulation, he shall pay to the subsidiary bank for each additional certificate a sum of rupee one.

(4) In the case of shares held jointly by several persons, delivery of the relative certificate or certificates to one of such joint holders shall be sufficient delivery to all, and a receipt signed by any one of the joint holders shall effectually bind all the joint holders.

12. Renewal of share certificates

(1) If any share certificate is worn out or defaced or tendered for sub-division, then, upon production thereof to the Board, the Board may order the same to be cancelled, and have a new certificate or certificates issued in lieu thereof.

(2) If any share certificate is alleged to be lost or destroyed, then, upon production of such evidence of the loss or destruction thereof as the Board may consider satisfactory and of such indemnity, with or without security as the Board may require, and on payment to the subsidiary bank of its costs, charges and expenses of and incidental to the matter, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate.

(3) There shall be paid to the subsidiary bank a sum of rupee one for every certificate issued under this regulation except for a new certificate issued—

- (a) in replacement of an old, decrepit or worn out certificate; or
- (b) in a case where the cages on the reverse of the certificate for recording transfers have been fully utilised.

13. Transfer of shares

(1) Every transfer of the shares of a subsidiary bank shall be in writing in the following form or in any usual or common form which the subsidiary bank shall approve:

I/We of
in consideration of the sum of rupees
paid to me/us by of
(hereinafter called "the transferee(c)") do hereby transfer to the transferee(s)
share/shares of the numbered
to hold unto the transferee(s), his/their executors, administrators and assigns, subject to the several conditions contained in the State Bank of India (Subsidiary Banks) Act, 1959 and the rules and regulations made thereunder, and I/We, the transferee(s) do hereby agree to take the said share/shares subject to the conditions aforesaid and I/We, the transferee(s) request that I/We be registered as shareholder(s) in respect of the said share/shares. I/We, the transferee(s), do hereby declare that—

I/We shall not, on registration of this transfer, come to be registered as holder of shares of the in excess of the maximum number of shares permitted by section 19 of the State Bank of India (Subsidiary Banks) Act, 1959.

Transferor

Name
Address

Witness

Name
Address
Occupation

Transferee

Name
Address

Witness

Name
Address
Occupation

(2) The instrument of transfer of any share shall be submitted to the Board and shall be signed by or on behalf of the transferor and the transferee, and the transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the share register. Each signature to such transfer shall be duly attested by the signature of one witness who shall add his address and occupation.

(3) Upon receipt by the Board of an instrument of transfer with the request to register the transfer, the board shall, unless it declines the registration under regulation 14, within two months from the date on which the instrument of transfer was delivered to the subsidiary bank for submission to the Board, cause the transfer to be registered.

14. Power to refuse or suspend transfers

(1) The Board may decline to register any transfer of shares unless:—

- (a) a sum of rupee one is paid to the subsidiary bank in respect thereof which sum shall not in any event be refunded;
- (b) a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and the transferee has been submitted to the board;
- (c) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the subsidiary bank may reasonably require in evidence of the right of the transferor to make the transfer;
- (d) it is satisfied after such enquiry as it may consider necessary that the transferee is qualified to be registered as a shareholder in respect of the shares covered by the instrument of transfer.

(2) The Board may suspend the registration of transfer during any period in which the register is closed.

15. Transmission of shares in the event of death, insolvency etc. of a shareholder

(1) The executors or administrators of the estate of a deceased sole holder of a share of a subsidiary bank, or the holder of a succession certificate issued under Part X of the Indian Succession Act, 1925 in respect of such share, or a person in whose favour a valid instrument of transfer of such share was executed by such person or by the deceased sole holder during the latter's life-time, shall be the only persons who may be recognised by the subsidiary bank as having any title to the share of the deceased shareholder. In the case of a share of a subsidiary bank registered in the names of two or more holders, the survivor or survivors and on the death of the last survivor, the executors or administrators of his estate, or any person who is the holder of a succession certificate in respect of such survivor's interest in the share, or a person in whose favour a valid instrument of transfer of the share was executed by such person or such last survivor during the latter's life-time, shall be the only person who may be recognised by the subsidiary bank as having any title to such share. The subsidiary bank shall not be bound to recognise such executors or administrators unless they shall have obtained probate or letters of administration or other legal representation as the case may be from a duly constituted Court in India having effect at the place where the head office of the subsidiary bank is situate.

Provided nevertheless that in any case where the Board shall in its absolute discretion think fit, it shall be lawful for the Board to dispense with the production of a succession certificate, letters of administration or such other legal representation upon such terms as to indemnity or otherwise as it may think fit.

(2) Subject to the provisions of the Act and these regulations, any such person becoming entitled to a share of a subsidiary bank in consequence of the death of a shareholder and any person becoming entitled to a share in consequence of the insolvency, bankruptcy or liquidation of a shareholder shall, upon production of such evidence as the Board may require, be entitled:—

- (a) to be registered as a shareholder in respect of the share upon his satisfying the Board in the same manner as if he were the proposed transferee under regulation 14 that he is qualified to be registered as a shareholder; or
- (b) to make such transfer of the share as the person from whom he derives his title, could have made.

16. Shareholder ceasing to be qualified for registration

(1) It shall be the duty of any person registered as a shareholder of a subsidiary bank, whether alone or jointly with another or others, forthwith upon ceasing to be qualified to be so registered in respect of any share to give intimation thereof to the Board.

(2) The Board may at any time cause such enquiries to be made as it shall deem fit for the purpose of ascertaining whether any person registered as a shareholder of the subsidiary bank whether alone or jointly with another or others, is not or has ceased to be, qualified to be so registered in respect of any share and upon being satisfied that any such person, contrary to the provision of sub-section (1) of section 19 of the Act, registered, by inadvertence or otherwise, in respect of any shares held by him whether in his own name or jointly with another person or persons so as to make such total holding in excess of the total nominal value of twenty thousand rupees, it shall determine which of such shares shall be deemed to constitute such excess and shall inform the shareholder or where such excess is held jointly, each of the joint shareholders, that in accordance with section 19 of the Act he is, and in the case of joint holders they are, not entitled to the payment of any dividend on any such share nor to exercise any of the rights of a shareholder otherwise than for the purpose of the transfer of such share and shall make an entry in the register to that effect.

(3) A determination by the Board under sub-regulation (2) shall be conclusive.

CHAPTER III

MEETINGS OF SHAREHOLDERS

17. Notice convening a general meeting

Subject to the provisions of sub-section (3) of section 44 of the Act,

(1) A notice convening a general meeting of the shareholders of a subsidiary bank signed by the chairman or the general manager of that bank shall be published at least twenty-eight days before the date of the meeting in the Gazette of India and also in at least two principal daily newspapers circulating at the place where the head office of the subsidiary bank is situate.

(2) Every such notice shall state the time, date and location of such meeting, and also the business that shall be transacted at the meeting.

18. Special general meeting

(1) The Board may, at any time and shall, if a requisition for such a meeting has been received from either the State Bank or other shareholders holding shares carrying, in the aggregate, not less than 20 per cent of the total voting rights of all the shareholders, convene or cause to be convened, a special general meeting of shareholders.

(2) The requisition referred to in sub-regulation (1) shall state the purpose for which the special general meeting is required to be convened, and may consist of several documents in like form each signed by one or more of the requisitionists.

(3) The time, date and location of a general meeting shall be decided by the Board.

Provided that a special general meeting convened on requisition shall be convened not later than three months of the receipt of the requisition.

19. Business at general meetings

(1) No business other than that specified in sub-section (2) of section 44 of the Act shall be transacted or discussed at the annual general meeting, except with the consent of the chairman or other person presiding at the meeting unless not less than six weeks' notice of the same has been given to the chairman or the general manager of the subsidiary bank either by the State Bank or by at least ten other shareholders qualified to vote at the meeting. Such notice shall take the form of a definite resolution to be put to the meeting, and shall be included in the notice of the meeting.

(2) Except with the consent of the chairman or other person presiding at the meeting, no business shall be transacted or discussed at any special general meeting, except the business for which the meeting has been specifically convened.

20. Quorum at general meetings

No business shall be transacted at any meeting of the shareholders whether it is annual general meeting or any special general meeting, unless a quorum of at least five shareholders consisting of the State Bank represented by a proxy or by a duly authorised representative and four other shareholders entitled to vote at such meeting in person or by proxy or by duly authorised representatives is present at the commencement of such business, and if

within fifteen minutes from the time appointed for the meeting a quorum is not present, the chairman or other person presiding at the general meeting may dissolve the meeting or adjourn it to the same day in the following week at the same time and location, and if at such adjourned meeting a quorum is not present, the shareholders who are present in person or by proxy or by duly authorised representatives shall form a quorum:

Provided that no annual general meeting shall be adjourned to a date later than three months after the 31st December and if adjournment of the meeting to the same day in the following week would have this effect, the annual general meeting shall not be adjourned but the business of the meeting shall be commenced either as soon within one hour from the time appointed for the meeting as a quorum may be present, or immediately after the expiry of one hour from that time and those shareholders who are present in person or by proxy or by duly authorised representatives at such time shall form a quorum.

21. Chairman at general meetings

(1) The chairman or in his absence such one of the directors as may generally or in relation to any particular meeting be authorised by the chairman in this behalf shall preside at a general meeting, and in the absence of the chairman and the person so authorised and also failing any such authorisation the shareholders who are present in person or by proxy or by duly authorised representatives at the meeting may elect any other director to preside at the meeting.

(2) The person presiding at a general meeting shall regulate the procedure at the general meeting, and, in particular, shall have power to decide the order in which shareholders may address the meeting, to fix a time limit for speeches, to apply the closure when, in his opinion, any matter has been sufficiently discussed and to adjourn the meeting.

22. Persons entitled to attend general meetings

(1) All directors, the general manager the auditor for the time being and all shareholders of the subsidiary bank shall, subject to the provisions of sub-regulation (2), be entitled to attend a general meeting of that bank.

(2) A shareholder (other than the State Bank or a director of the subsidiary bank) attending a general meeting shall, for the purpose of identification and to determine his voting rights, be required to sign and deliver to the subsidiary bank a form to be specified by the general manager containing the following particulars:

- his full name and registered address;
- the denoting numbers of his shares;
- whether he is entitled to vote and the number of votes to which he is entitled in person or as proxy or as a duly authorised representative.

23. Voting at general meetings

(1) Save as otherwise provided in section 31 of the Act, every matter submitted to a general meeting of a subsidiary bank shall be decided by a majority of votes.

(2) A declaration by the person presiding at a general meeting of a subsidiary bank that a resolution has been carried or rejected thereat upon a show of hands by shareholders present who are entitled to vote on the resolution shall be conclusive, and an entry to that effect in the book of proceedings of the subsidiary bank shall be sufficient evidence of that fact, without proof of the number or proportion of the votes recorded in favour of, or against, such resolution, unless, immediately on such declaration, a poll be demanded in writing on behalf of the State Bank or by at least four other shareholders present and entitled to vote at the meeting.

(3) If a poll be duly demanded, it shall be taken either at once or at such time and location and either by open voting or by ballot as the person presiding at the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. At such poll, voting shall be either in person or by proxy or by duly authorised representative, and the shareholders shall be entitled to exercise the voting rights, referred to in regulation 25.

(4) The decision of the person presiding at the meeting as to the qualification of any person to vote, and also in the case of a poll, as to the number of votes any person is competent to exercise shall be final.

24. Minutes of general meetings

(1) A subsidiary bank shall cause the minutes of all proceedings of general meetings to be entered in books kept for that purpose.

(2) Any such minute, if purporting to be signed by the person presiding at the meeting at which the proceedings were held, or by the person presiding at the next succeeding meeting, shall be evidence of the proceedings.

(3) Until the contrary is proved, every general meeting in respect of the proceedings whereof minutes have been so made shall be deemed to have been duly called and held, and all proceedings held thereat to have been duly held.

CHAPTER IV

VOTING RIGHTS OF SHAREHOLDERS

25. Determination of voting rights

(1) Subject to the provisions contained in section 19 of the Act, each shareholder of a subsidiary bank who has been registered as a shareholder for a period of not less than three months prior to the date of a general meeting of that subsidiary bank shall be entitled to vote on every resolution placed before the meeting.

(2) Every shareholder entitled to vote as aforesaid who, not being a company, is present in person or by proxy or who being a company is present by a duly authorised representative, or by proxy shall have one vote on a show of hands and in case of a poll shall have one vote for each share held by him.

26. Voting by duly authorised representative

(1) A shareholder of a subsidiary bank, being a company, may by a resolution or a power of attorney authorise any of its officials or any other person to act as its representative at any general meeting of the shareholders of the subsidiary bank and the person so authorised (referred to as a "duly authorised representative" in these regulations) shall be entitled to exercise the same power on behalf of the company which he represents, as if he were an individual shareholder of the subsidiary bank. The authorisation so given may be in favour of two persons in the alternative and in such a case any one of such persons but not both may act as the duly authorised representative of the company.

(2) A person acting in pursuance of an authorisation given under this regulation shall not be deemed to be a proxy.

(3) No person may attend or vote at any meeting of the shareholders of a subsidiary bank as a duly authorised representative of a company unless, not less than four clear days before the date fixed for the meeting,

(a) a copy of the resolution, appointing him as a duly authorised representative certified to be a true copy by the person presiding at the meeting at which it was passed, shall have been deposited, or

(b) the power of attorney has been registered, at the head office of the subsidiary bank.

(4) An appointment of a duly authorised representative shall, after the deposit of a certified copy of the resolution as aforesaid, be irrevocable for the meeting for which it is made and shall revoke any proxy previously deposited for such meeting by the company.

27. Voting by duly authorised representative precludes voting by proxy

No shareholder of a subsidiary bank, being a company, shall vote by proxy so long as a resolution or a power of attorney referred to in regulation 26 authorising any of its officials or any other person to act as its duly authorised representative at any general meeting of that subsidiary bank shall be in force

28. Proxies

(1) No instrument of proxy shall be valid unless in the case of an individual shareholder it is signed by him or by his attorney duly authorised in writing, or in the case of joint holders, it is signed by the shareholder first named in the share register or his attorney duly authorised in writing or in the case of a company it is executed under its common seal, if any, or signed by its attorney duly authorised in writing:

Provided that an instrument of proxy shall be deemed to be sufficiently signed by any shareholder, who is, for any reason, unable to write his name, if his mark is affixed thereto and attested by a Judge, Magistrate, Justice of the Peace, Registrar or Sub-Registrar of Assurances, or other Government gazetted officer or an officer of the State Bank or the subsidiary bank.

(2) No person shall be appointed as a proxy unless he is entitled to attend the general meeting otherwise than as a proxy, provided that this sub-regulation shall not apply to a proxy appointed by a company.

(3) No proxy shall be valid unless it is duly dated and stamped and unless it, together with the power of attorney or other authority (if any) under which it is signed, or a copy of that power or authority certified by a notary public or a Magistrate or in case a power of attorney which is previously deposited and registered with the head office of the subsidiary bank, certified by the general manager of that bank or any other officer of that bank authorised by the general manager in this behalf, is deposited at the head office of the subsidiary bank not less than 4 clear days before the date fixed for the meeting.

(4) No instrument of proxy shall be valid unless it is in the following form and dated, namely:—

State Bank of.....*

I/We of being (a) shareholder(s) of the State Bank of* holding shares Nos..... on the share register do hereby appoint of (or failing him..... of) as my/our proxy to vote for me/us and on my/our behalf at a meeting of the shareholders of the State Bank of* to be held at on the day of and at any adjournment thereof.

Dated this day of
Signature.....

*Here enter the name of the subsidiary bank.

(5) An instrument of proxy so deposited shall be irrevocable—

(i) unless on or before the last day for the deposit of proxies there shall have been deposited at the head office of the subsidiary bank a notice in writing under the hand or common seal of the grantor specifically stating—

(a) the name of the person in whose favour the instrument was granted; and

(b) that such instrument is revoked; or

(ii) unless the same is deemed to be invalid under sub-regulation (6).

In the case of an instrument of proxy granted in favour of two grantees in the alternative, it shall not be necessary to mention in the notice of revocation the name of the second or alternative grantee provided that the notice is otherwise sufficient to identify beyond doubt the instrument of proxy which it is intended to revoke.

(6) If two or more instruments of proxy in respect of the same shares shall be deposited and if on or before the last day for deposit of proxies all but one of such instruments of proxy shall not have been duly revoked in accordance with the procedure laid down in sub-regulation (5), all such instruments of proxy shall be deemed invalid.

(7) The due revocation of an instrument of proxy shall in no way prevent the deposit of another valid instrument of proxy within the time specified in sub-regulation (3).

(8) The grantor of an instrument of proxy which has become irrevocable under this regulation shall not be entitled to vote in person at the meeting to which such instrument relates.

29. Appointment of an employee of the subsidiary bank as duly authorised representative of proxy invalid.

No person who is an officer or an employee of a subsidiary bank may be appointed a duly authorised representative or a proxy in respect of a general meeting of that bank.

CHAPTER V

ELECTION OF DIRECTORS

30. Directors to be elected at general meeting

(1) The election of a director by the shareholders of a subsidiary bank shall take place at a general meeting of the shareholders of the subsidiary bank.

(2) Where at any general meeting of the shareholders of a subsidiary bank an election of a director is to be held, the notice of such election shall be included in the notice convening the meeting. Every such notice shall also specify the number of directors to be elected, and the particular vacancies in respect of which the election is to be held.

31. List of shareholders

(1) For the purpose of election of a director of a subsidiary bank under clause (d) of sub-section (1) of section 25 of the Act, there shall be prepared a list of shareholders entered in the share register of that subsidiary bank.

(2) Such list shall contain the names of the shareholders, their registered addresses, the number and denoting numbers of shares held by them with the dates on which the shares were registered and the number of votes to which they will be entitled to on the date fixed for the meeting at which the election will take place and copies of the list shall be available for purchase at least three weeks before the date fixed for the meeting at a price of one rupee per copy, on application at the head office of the subsidiary bank.

32. Nomination of candidates for election

(1) No candidate for election as a director of a subsidiary bank shall be validly nominated unless—

(a) he is, on the last date for receipt of nominations, not disqualified to be a director under section 27 of the Act;

(b) the nomination is in writing signed by at least two shareholders qualified to vote by their duly constituted attorneys, provided that a nomination by a shareholder which is a body corporate may be made by a resolution of the directors of the said body corporate and where it is so made, a copy of the resolution certified to be a true copy by the person presiding at the meeting at which it was passed shall be despatched to the head office of the subsidiary bank and such copy shall be deemed to be a nomination on behalf of such body corporate;

(c) the nomination paper contains a declaration signed by the candidate before a Judge, Magistrate, Justice of the Peace, Registrar or Sub-Registrar of Assurances, or other Government gazetted officer or an officer of the State Bank or the subsidiary bank, that he accepts the nomination, and is willing to stand for election, and that he is not disqualified to be a director under section 27 of the Act.

(2) No nomination shall be valid unless it is received, with all the connected documents or papers, in the head office of the subsidiary bank on a working day not less than 14 clear days before the date fixed for the meeting.

33. Publications of list of candidates

(1) On the first working day following the last date fixed for the receipt of nominations, the same shall be taken into consideration by the general manager. The general manager shall after such enquiry, if any, as he thinks necessary, satisfy himself in regard to the provisions of Regulation 32 and shall accept or reject the nomination of each candidate as may appear to him to be justified, and in the case of rejection shall briefly record his reasons for so doing. The decision of the general manager that the nomination is valid or invalid shall, subject to the result of any reference under Regulation 35, be final. If there is only one valid nomination for any particular vacancy to be filled by election, the candidate validly nominated for such vacancy shall be deemed to be elected at the meeting convened for the purpose, and his name and address shall be published as so elected. In such an event there shall not be any election at the meeting and if a meeting had been called solely for the purpose of the aforesaid election, the meeting shall stand cancelled. If the number of valid nominations for any particular vacancy exceeds one, the general manager shall cause to be published the names and addresses of candidates validly nominated for such vacancy.

(2) All notices in pursuance of sub-regulation (1) shall be published in the Gazette of India and in at least two principal daily newspapers circulating at the place where the head office of the subsidiary bank is situate.

(3) The general manager shall send a copy of every such notice issued by him to the chairman forthwith.

34. Assumption of office by the elected candidate

A director elected to fill an existing vacancy shall be deemed to have assumed office from the date following that on which he is, or is deemed to be, elected.

35. Election disputes

(1) If any doubt or dispute shall arise as to the qualification or disqualification of a person deemed, or declared to be elected, or as to the validity of the election of a director of a subsidiary bank, any person interested, being a candidate or shareholder entitled to vote at such election, may, within seven days of the date of the declaration of the result of such election, give intimation in writing thereof

to the chairman through the general manager of the subsidiary bank and shall in the said intimation give full particulars of the grounds upon which he doubts or disputes the validity of the election.

(2) On receipt of an intimation under sub-regulation (1), the chairman shall forthwith refer such doubt or dispute for the decision of a committee consisting of himself, and the director of the subsidiary bank nominated pursuant to clause (b) of sub-section (1) of section 25 of the Act and one of the directors nominated pursuant to clause (c) of that sub-section of the subsidiary bank.

(3) Such committee shall make such enquiry as it deems necessary and if it finds that the election was a valid election, it shall confirm the declared result of the election or, if it finds that the election was not a valid election, it shall make such order and give such directions including the holding of a fresh election as shall in the circumstances appear just to the committee.

(4) An order and direction of such committee in pursuance of this regulation shall be conclusive.

CHAPTER VI**BOARD, ITS EXECUTIVE COMMITTEE AND OTHER COMMITTEES****36. Meetings of the Board**

(1) Meetings of the Board shall be convened by the chairman, or subject to any direction that may be given by him, by the general manager of the subsidiary bank, at least six times in each year and at least once in each quarter.

(2) Any two other directors not being officers of the State Bank may require the chairman to convene a meeting of the Board at any time, and the chairman shall, on receipt of the requisition, convene a meeting of the Board giving sufficient notice, provided that the date of the meeting so convened shall not be later than 21 days from the date of the receipt of the requisition.

(3) Meetings of the Board shall be held at the head office of the subsidiary bank, or at such other place as may be specified in the notice convening the meeting.

(4) Ordinarily not less than 15 days' notice shall be given of each meeting of the Board, and such notice shall be sent to every director at his registered address. Should it be found necessary to convene an emergency meeting, sufficient notice shall be given to every director in India to enable him to attend.

(5) No business other than that for which the meeting was convened shall be discussed at a meeting of the Board except with the consent of the person presiding at the meeting and a majority of the directors present, unless one week's notice has been given of the same in writing to the general manager.

(6) Four directors, of whom one shall be the chairman or an officer of the State Bank being a director of the subsidiary bank nominated under clause (c) of sub-section (1) of Section 25 of the Act, shall form a quorum for the transaction of business.

(7) A copy of the proceedings of each Board meeting shall be circulated as soon as possible thereafter for the information of the directors, and shall be signed by the person presiding at that or the next succeeding meeting.

37. Resolution without meeting of the Board valid

(1) A resolution of the Board in writing signed by a majority of the directors of the Board shall be valid and effectual, and shall be deemed to be the resolution passed by the Board on the date on which it is signed by the last signatory to the resolution:

Provided that if any dissenting director in writing requires that any resolution so passed shall be placed before a meeting of the Board, the resolution shall not be deemed to be valid and effectual, as aforesaid, unless the same is passed at such meeting.

(2) Nothing in sub-regulation (1) shall apply to a resolution in respect of any matter relating to the making of loans or advances or the discounting or purchasing of bills by a subsidiary bank.

38. Constitution and powers of the Executive Committee

(1) The executive committee in respect of a subsidiary bank shall consist of—

(a) three directors nominated under clause (c) of sub-section (1) of section 25 of the Act of whom not more than two shall be officers of the State Bank, and

(b) one director elected under clause (d) of sub-section (1) of section 25 of the Act:

Provided that the chairman and the director nominated under clause (b) of sub-section (1) of section 25 of the Act may attend any meeting of the executive committee and the chairman or such director shall be deemed to be a director on the executive committee for the meeting which he so attends.

(2) Notwithstanding anything in sub-regulation (1), any of the directors not referred to in that sub-regulation shall also be entitled to attend the meeting of the executive committee and shall be deemed to be a director on the executive committee for the meeting which he so attends, but he shall not be entitled to be paid any fees for attending the meeting or be reimbursed his travelling or halting expenses in connection with the work at the meeting.

(3) The directors referred to in (a) and (b) of sub-regulation (1) shall be nominated by the State Bank to serve on the executive committee for one year at a time.

(4) In the exercise of its powers, the executive committee shall be bound by such general or special directions as the Board may, consistently with the Act and these regulations, give from time to time, but subject to any such direction, the executive committee may transact all the current business of the subsidiary bank.

(5) If any question arises as to whether a matter relates to a current business of the subsidiary bank, the decision of the person presiding at the meeting shall be final.

39. Meetings of the executive committee

(1) Meetings of the executive committee shall be held at least once a month, sufficient notice being given to the directors on the executive committee to attend the meeting.

(2) Three directors, of whom one shall be the chairman or a director being an officer of the State Bank nominated under clause (c) of sub-section (1) of section 25 of the Act, shall form a quorum for the transaction of business.

Provided that if at any time the number of directors interested or concerned within the meaning of sub-section (5) of section 34 of the Act exceeds or is equal to two, the number of the remaining directors (that is to say, the number of the directors who are not so interested or concerned) shall form the quorum during such time so however that at least two directors entitled to vote are present during such time.

(3) The provisions of the Act and, save as otherwise provided in this regulation, of these regulations shall apply to the meetings of the executive committee as if they were meetings of the Board.

40. Other Committees

(1) The constitution of other committees, the powers and functions of such committees and the conduct of business in such committees shall be such as may be laid down by the Board from time to time in relation to any subsidiary bank.

(2) The minutes of the meeting of every such committee shall be laid before the executive committee or the Board of the subsidiary bank as soon as possible after each meeting.

CHAPTER VII

GENERAL MANAGER

41. Delegation to the General Manager

(i) The general manager shall have the power to transact all the current business of the subsidiary bank which may be transacted by the executive committee, if in the opinion of the general manager action cannot be deferred until the next executive committee meeting, or until the obtaining of the decision of the executive committee by circulation of a resolution, provided that such action shall be reported to the executive committee at its next meeting.

(ii) Without prejudice to the foregoing power, the general manager shall be authorised—

- (a) to exercise the powers and perform the duties entrusted, or delegated, to him by any regulation or rule made by the Board, or by any order or resolution of the Board or of its executive committee or by any power of attorney issued in his favour by the Board or its executive committee subject, in each case, to the restrictions, if any, contained in the said regulation, rule, order, resolution or power or attorney; and

(b) generally to do all such acts or things as may be incidental to, or consequential upon, the exercise of the said powers or the performance of such duties.

(iii) If the office of the general manager is vacant, for the time being, the powers and duties of the general manager under sub-regulations (i) and (ii) shall, until a general manager has been appointed, be exercised or performed by such director or officer of the subsidiary bank as the State Bank may appoint in this behalf.

CHAPTER VIII

FEES AND ALLOWANCES OF DIRECTORS

42. Fees of directors

A director of a subsidiary bank, not being an officer of government, the Reserve Bank, the State Bank or any subsidiary bank shall be entitled to be paid fees by the subsidiary bank as follows:—

- (a) For attending meetings of the Board—Rs. 50 for each meeting.
- (b) For attending meetings of the executive committee of the subsidiary bank—Rs. 40 for each meeting.
- (c) For attending meetings of any other committee or to any other work of the subsidiary bank—Rs. 30 for each meeting.

43. Travelling and halting allowances of directors

(1) In addition to the fees to which a director of a subsidiary bank may be entitled under regulation 42, every such director travelling in connection with the work of the subsidiary bank shall be reimbursed his travelling and halting expenses, if any, on such basis as may be fixed by the State Bank from time to time.

(2) A director who is an officer of Government, the Reserve Bank, the State Bank or any subsidiary bank shall be reimbursed his travelling and halting expenses in accordance with the rules applicable to him.

CHAPTER IX

ADVANCES, DISCOUNTS, INVESTMENTS AND ACCOUNTS

44. Order under section 37 and State Bank's powers not affected

The provisions of this Chapter shall have effect subject to—

- (i) any order issued by the Central Government under sub-section (2) of section 37 of the Act; and
- (ii) any directions and instructions given by the State Bank under the provisions of the Act and these regulations.

45. Conditions and requirements as to advances etc.

A subsidiary bank shall not—

- (a) except on an approved security, discount or purchase bills or lend or advance in excess of such amount as the State Bank may fix in that behalf;
- (b) discount or purchase or lend or advance on the security of any negotiable instrument of any individual or partnership firm including Joint Hindu Family firm payable at the place where it is presented for such discount, purchase, loan or advance if it does not carry on it the several responsibilities of at least two persons or firms unconnected with each other in general partnership and each of whom is good for the amount of the negotiable instrument;
- (c) discount or purchase or lend or advance on the security of any negotiable instrument or security (not being an approved security or an instrument or security in which a trustee may invest trust money under section 20 of the Indian Trusts Act, 1882) which does not mature within fifteen months from the date of such discount, purchase, loan or advance if the instrument or security is drawn or issued for the purpose of financing seasonal agricultural operations and within six months from the date aforesaid if the instrument or security is drawn or issued for any other purpose and
- (d) make a loan or advance for a period longer than twelve months except as otherwise provided in these regulations.

46. *Special provisions*

Nothing contained in regulation 45 shall apply to—

- (a) accounts of customers being overdrawn to such extent, with or without security, as the State Bank may fix;
- (b) the making of loans or advances to
 - (i) a district board, municipal committee or other local authority established by or under any law for the time being in force in India for any period that may be fixed in that behalf by the State Bank;
 - (ii) persons engaged in such industries or classes of industries, on such terms and conditions, and upon such security as may be approved in that behalf by the State Bank, for any period not exceeding seven years;
 - (iii) persons engaged in, or in the financing of, hire purchase transactions, upon such security as may be approved by the State Bank in that behalf, for any period not exceeding twentyfour months; and
 - (iv) such persons for such purposes upon such security and on such terms as the State Bank may, with the approval of the Reserve Bank, specify from time to time;
- (c) the discounting or purchase of bills, or the lending or advancing of moneys in renewal of, or in settlement or compromise of, the liabilities under or in respect of bills discounted or purchased or loans or advances made, before the appointed day.

47. *Advances to be reported to State Bank*

(1) Any loan or advance granted or renewed or any bill discounted which makes the borrower's total indebtedness to the subsidiary bank without security or against any security exceed the amount fixed in this behalf by the State Bank shall be immediately reported to the State Bank.

(2) For the purpose of this regulation, indebtedness to the subsidiary bank shall be deemed to include the maximum drawing powers sanctioned on fluctuating accounts and the maximum limits sanctioned for the discount of documentary bills, even though the actual drawing powers or bills discounted are less than the maximum drawing powers and limits sanctioned.

48. *Advances to directors and officers of the bank*

(1) Save on an approved security, no loan or advance shall be made by a subsidiary bank to—

- (a) any of its directors or officers holding such appointments as are specified by the Board as senior staff appointments or
- (b) to companies, firms or individuals with which or with whom such directors or officers are connected as partners, directors or managers,

except on such terms and conditions as the State Bank may, on the recommendation of the subsidiary bank, specify from time to time.

(2) The circumstances in which and the conditions subject to which loans or advances may be granted to employees other than those referred to in sub-regulation (1) shall be such as may be specified by the Board.

Provided that no loan or advance may be granted to any officer of the bank without the specific sanction in each case of the executive committee of the subsidiary bank.

49. *Approval of the State Bank necessary to investment in shares and debentures*

A subsidiary bank shall not invest its funds in shares and debentures of any company with limited liability without the approval of the State Bank.

50. *Directors to notify the names of companies in which they are interested*

Without prejudice to the provisions of sub-section (5) of section 34 of the Act, every director shall notify to the general manager of the subsidiary bank the names of the companies in which he is interested and shall also declare the fact at any time a loan or advance to any of the said companies is being considered.

51. *Contracts and arrangements with interested directors*

Save as otherwise provided in the Act or these regulations no contract or arrangement (other than any contract or arrangement by a subsidiary bank in the ordinary course

of its banking business) in which a director is directly or indirectly concerned or interested shall be entered into by, or on behalf of, a subsidiary bank except with the approval of the State Bank.

52. *Suspense Accounts*

(1) Not more than two suspense accounts (i.e. accounts in which items which cannot be passed at once into their proper accounts are in the meantime debited or credited) shall be kept at any office or branch of a subsidiary bank. Each branch or office shall forward every month to the head office of the subsidiary bank a detailed statement of the suspense accounts kept showing all the items outstanding.

(2) Statements of the suspense accounts at the head office of a subsidiary bank shall be laid before the executive committee of that bank once in every quarter. Such statements shall be prepared in such form as the Board may specify from time to time.

53. *State Bank's approval may be general or specific*

Where under the provisions of this Chapter any limit has to be fixed by the State Bank or the approval of the State Bank is necessary to any proposal, arrangement or investment or to the granting of a loan or advance, or the discounting or purchase of bills, or to the terms and conditions thereof, such limit may be fixed or such approval may be given in relation to all or any of the subsidiary banks or with reference to any particular transaction or class of transactions or generally.

CHAPTER X

MISCELLANEOUS

54. *Manner and form in which contracts binding on the subsidiary bank may be executed*

(1) Contracts on behalf of a subsidiary bank may be made as follows:—

(i) Any contract which, if made between private persons, would by law be required to be in writing signed by the parties to be charged therewith, may be made on behalf of the subsidiary bank in writing signed by any person acting under its authority express or implied, and may in the same manner be varied or discharged;

(ii) Any contract which, if made between private persons, would in law be valid although made by parol only and not reduced to writing, may be made by parol on behalf of the subsidiary bank by any person acting under its authority, express or implied, and may in the same manner be varied or discharged.

(2) All contracts made according to the provisions of this regulation shall be effectual in law, and shall bind the subsidiary bank and all other parties thereto and their legal representatives.

55. *Accounts, receipts and documents of subsidiary banks by whom to be signed*

(1) The general manager and such other officers or employees of a subsidiary bank as the Board may authorise in this behalf by notification in the Gazette of India are hereby severally empowered, for and on behalf of the subsidiary bank, to endorse and transfer promissory notes, stock-receipts, stock-debentures, shares, securities and documents of title to goods, standing in the name of or held by the subsidiary bank, to draw, accept and endorse bills of exchange and cheques, to issue, confirm and transfer letters of credit, to sign guarantees and indemnities in the current and authorised business of the subsidiary bank, and to sign all other letters, advices, accounts, receipts and documents connected with such business or other current or authorised business of the subsidiary bank.

(2) Without prejudice to the provisions of sub-regulation (1), all powers of attorney and other authorisations issued by an existing bank in favour of any officer or other employee who becomes an officer or other employee of the corresponding new bank by virtue of section 11 of the Act shall continue to be full force and effect as if, instead of the existing bank, the corresponding new bank had been a party to such powers of attorney or authorisations, and, accordingly, any such officer or other employee may exercise on behalf of the corresponding new bank such powers as he was exercising before the appointed day on behalf of the existing bank.

(3) Without prejudice to the provisions of sub-regulation (1), all powers of attorney and other authorisations issued by the Hyderabad Bank or the Saurashtra Bank in favour of any officer or other employee shall, until amended, modified or superseded, continue to be in full force and effect and, accordingly, any such officer or other employee may exercise on behalf of the Hyderabad Bank or the Saurashtra Bank such powers as he was exercising before the appointed day.

Explanation—For the purposes of this regulation, all powers of attorney and other authorisations issued by the Hyderabad State Bank and continuing to be in force and effect under sub-regulation (2) of regulation 23 of the State Bank of Hyderabad General Regulations, 1956, shall be deemed as powers of attorney and other authorisations issued by the Hyderabad Bank.

56. *Plaints, etc. by whom to be signed*

Plaints, written statements, petitions, and applications may be signed and verified, affidavits may be sworn or affirmed, bonds may be signed, sealed and delivered, and generally all other documents connected with legal proceedings may be made and completed on behalf of a subsidiary bank by the general manager of the subsidiary bank or by any officer or employee empowered by or under regulation 55 to sign documents for and on behalf of the subsidiary bank.

57. *Obligation to notify disqualifications of directors*

(1) If a director of a subsidiary bank becomes subject to any of the disqualifications set out in section 27 of the Act, he shall forthwith notify the fact as well as the date from which the disqualification became applicable to him, to the general manager of the subsidiary bank.

(2) The general manager shall inform the State Bank as soon as it comes to his notice that any director of the subsidiary bank has become subject to any of the disqualifications specified in section 27 of the Act.

58. *The seal of a subsidiary bank*

(1) The common seal of a subsidiary bank shall not be affixed to any instrument except in the presence of at least two directors, who shall sign their names to the instrument in token of their presence, and such signing shall be independent of the signing of any person who may sign the instrument as a witness. Unless so signed, as aforesaid, such instrument shall be of no validity.

(2) Without prejudice to the generality of sub-regulation (1), the common seal of a subsidiary bank may be affixed to instruments of the following descriptions in connection with the business of the subsidiary bank, namely:—

- (a) Leases of office premises, godowns, houses and other property required in connection with the business of the subsidiary bank and surrenders and transfers of such leases;
- (b) Conveyances of property bought or sold by the subsidiary bank;
- (c) Instruments whereby any property is mortgaged to the subsidiary bank, conveyances on sale or by way of transfer of mortgage and reconveyances, surrenders and leases of such property;
- (d) Powers of Attorney granted by the subsidiary bank;
- (e) Contracts of Indemnity, suretyship or guarantee with specific security or otherwise; and
- (f) Instruments of appointment or discharge of the subsidiary bank as trustee of any trust or connected with the administration of any estate in which the subsidiary bank is concerned as executor, trustee or otherwise.

59. *Service of notices to shareholders*

(1) Save as otherwise provided in these regulations, a notice may be given by the subsidiary bank to any shareholder either personally or by serving it by post to him to his registered address.

(2) Any notice required to be given by the subsidiary bank to the shareholders or any of them and not expressly provided for by these regulations, shall be sufficiently given if given by advertisement.

(3) Any notice sent by post shall be deemed to have been served on the third day following that on which the envelope or wrapper containing the same is posted, and in proof of such service it shall be sufficient to prove that the envelope or wrapper containing the notice was properly addressed, prepaid and put into post office, and a

certificate in writing signed by an employee of the subsidiary bank that the envelope or wrapper containing the notice was so addressed, prepaid and posted shall be conclusive evidence thereof. Any notice given by advertisement shall be deemed to have been given on the day on which the advertisement first appeared.

(4) Any notice given in accordance with the foregoing provisions shall be deemed to have been duly given notwithstanding that the shareholder be then deceased and whether or not the subsidiary bank had notice of his decease and shall in that event be deemed to be a notice to his legal representative.

(5) All notices with respect to any registered shares to which persons are jointly entitled shall be given to whichever of such persons is named first in the register and the notice so given shall be sufficient notice to all the holders of said shares.

(6) The signature to any notice to be given by the subsidiary bank may be written typed or printed.

60. *Service of notice on a subsidiary bank.*

A notice may be served on a subsidiary bank by leaving it at, or sending it by registered post to, the head office of the subsidiary bank.

61. *Payment of dividend*

(1) An account of the profits of the subsidiary bank shall be taken on or immediately after the thirty first day of December every year, and a dividend, if any, shall be declared and paid, as soon as conveniently may be, thereafter. The Board may from time to time declare and pay or authorise the payment of such interim dividends as appear to it to be justified.

(2) No dividend shall carry interest as against the subsidiary bank.

(3) Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends in respect of such share.

(4) Dividend shall be paid by cheque or warrant on the Head Office of the subsidiary bank and shall be sent through post to the registered address of the shareholder entitled, or in the case of joint holders to the registered address of the one whose name stands first on the register in respect of the joint holding, and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent.

(5) The subsidiary bank shall not make payment of a dividend to any person not entitled thereto under the Act or these regulations, but shall retain the same and make payment thereof to the person who next becomes registered in respect of the shares on which such dividend is payable, and is not disentitled under the Act or these regulations to receive it.

62. *Exercise of powers and functions on behalf of the State Bank*

The powers, duties or functions, conferred, imposed or entrusted on or to the State Bank under the Act, may be exercised or performed by the chairman and subject to such conditions and limitations as the chairman may specify, by the managing directors and such other officer of the State Bank as the chairman may appoint in this behalf.

SBS. No. 1—It is hereby notified for general information that the Board of the State Bank of Hyderabad under Section 25(1) of the State Bank of India (Subsidiary Banks) Act, 1959 (38 of 1959) shall on its first constitution consist of the following persons:—

Director—Ex-officio under clause (a) of sub-section (1) of Section 25.

1. Shri Pares Chandra Bhattacharyya Chairman, State Bank of India, 'Dunedin',
5. Harkness Road, Bombay 6.

Director appointed by the Reserve Bank of India under clause (b) of sub-section (1) of Section 25.

2. Shri Ardeshir Rustomji Thanawala. (*Ex-officio*)
Chief Officer,
Department of Banking Development,
Reserve Bank of India,
Central Office, Bombay.

Directors appointed under clause (c) of sub-section (1) of Section 25.

3. Shri Pannalal Bansilal Pitti,
'Moti Bhavan',
Somajiguda,
Hyderabad (A.P.)
4. Nawab Liakat Jung Bahadur,
Somajiguda,
Hyderabad (A.P.)
5. Shri Tennalur Srinivasa Ragavachary,
Special Officer,
Subsidiary Banks Section,
State Bank of India,
Central Office,
Bombay.
6. Shri Jagdish Lal Bagga,
Secretary and Treasurer,
State Bank of India,
Madras.
7. Shri Stephen Joseph William Chase,
State Bank of India,
Hyderabad. (A. P.).

Directors appointed under proviso to clause (d) of sub-section (1) of Section 25.

8. Raja Ramdev Rao,
77, Begumpet, Hyderabad (A.P.).
9. Shri Machani Somappa,
Yemmiganur, Kurnool Dt. (A.P.).

Directors appointed under clause (e) of sub-section (1) of Section 25.

10. Shri A. Baksi, Ministry of Finance,
Department of Economic Affairs,
Government of India,
New Delhi.

P. C. BHATTACHARYYA
Chairman

NOTICES

Bombay, the 30th September 1959

In pursuance of Regulation 76(1) of the State Bank of India General Regulations, 1955, the Executive Committee of the Central Board has empowered the Deputy Superintendent, Advances Department, Bombay, to exercise the following signing powers:—

"To endorse and transfer documents of title to goods, standing in the name of or held by the State Bank, to draw, accept and endorse bills of exchange and cheques, to issue, confirm and transfer letters of credit, in the current and authorised business of the State Bank, and to sign all other letters, advices, accounts, receipts and documents connected with such business."

B. P. PATEL
Managing Director

Bombay, the 1st October 1959

In terms of Section 29 of the State Bank of India (Subsidiary Banks) Act, 1959, the State Bank of India, with the approval of the Reserve Bank of India, have appointed Shri Belwant Singh, as the General Manager of the State Bank of Hyderabad, for a period of one year, with effect from the 1st October 1959.

P. C. BHATTACHARYYA
Chairman

New Delhi, the 1st October 1959

Shri M. R. Chopra (2), Staff Assistant, to be Assistant-in-Charge, Bills and Cash Department, New Delhi Branch from the close of business on the 9th September 1959, vice Shri R. N. Bhagat, Staff Assistant.

Shri C. L. Ralhan, Sub-Accountant, held temporary charge of Karel Bagh Pay Office (under Delhi Branch) from the close of business on the 7th September 1959 to the commencement of business on the 14th September 1959, vice Shri P. C. Soin, Sub-Accountant.

By order
A. S. NARIMAN
offg. Secretary and Treasurer

MINISTRY OF LABOUR AND EMPLOYMENT

Employees' State Insurance Corporation

NOTIFICATIONS

New Delhi, the 1st October 1959

No. Genl/Amend/8—In exercise of the powers conferred by section 97 of the Employees' State Insurance Act, 1948 (34 of 1948), the Employees' State Insurance Corporation hereby makes the following further amendments in the Employees' State Insurance (General) Regulations, 1950, the same having been previously published, as required by sub-section (1) of the said section, namely:—

In the said regulations

1. In regulation 78—

- (i) for the words "the time of the report to him" occurring in the proviso to the said regulation the words "such death" shall be substituted;
- (ii) after the proviso the following proviso shall be inserted, namely:—

"Provided further that nothing contained in this regulation shall be in derogation of any power conferred on a Coroner under any law for the time being in force or on the officer in-charge of a police station or some other police officer under section 174 of the Code of Criminal Procedure, 1898 (5 of 1898)."

2. In regulation 103-A, in sub-regulation (3)—

- (i) for the words "tuberculosis has been, before the beginning of the spell of sickness in which tuberculosis", the words "tuberculosis, leprosy or any malignant or mental disease has been before the beginning of the spell of sickness in which the tuberculosis, leprosy or any such disease" shall be substituted;
- (ii) for the figure and word "3 years" the words "two years" shall be substituted.

The 6th October 1959

No. Ins.III8(1)24/59—In exercise of the powers conferred under Section 73-E of the Employees' State Insurance Act, 1948 (34 of 1948), the Employees' State Insurance Corporation hereby substitutes Form SC-1 published in Part IV of the Gazette of India dated the 23rd February 1952 under Notification No. RS/9/52-A, dated the 16th February 1952, by the following, namely:—

FORM SC-1

Employees' State Insurance Corporation

1. Name of the Factory.
2. Full Registered Address.
3. (a) Telephone No., if any.
(b) Telegraphic Address, if any.
4. Location of Factory:
(a) State
(b) District
(c) Town or Village
(d) Nearest Rly. Station
(e) Name of Road or Locality, Municipal No., if any.
(f) Nearest Post Office where factory is situated
(g) Police Station having jurisdiction in area where the factory is situated.
5. Exact nature of work carried on.
6. (a) Year of Registration of the factory under the Factories Act.
(b) Licence No.
(c) Number of persons working in the factory as stated in the Licence.
(d) Extent of power stated in the licence and whether Licence issued under Section 2(m)(i) or 2(m)(ii) of the Factories Act, 1948.
7. Nature of proprietorship (whether Registered Joint Stock Company or individual or partners ownership or private registered company).

8. Principal employer:—

- (a) Name of the Manager declared as such for the purposes of the Factories Act (Sec. 7(1)(f) of the Factories Act, 1948).
 - (b) Name and residential address of Managing Agents/Managing Director/Owner or Occupier.
 - (c) If it is a registered Joint Stock Company, name and address of the Chairman of the Board of Directors.
 - (d) Name and residential addresses of each of the Directors, if Registered Joint Stock Company.
9. Whether power is used in the factory.
10. Is any work carried on through contractors or other immediate employers, if any?
- If so, (i) Nature of work
(ii) No. of employees so employed
11. Total number of persons employed, including those employed through immediate employers, in the factory:—
(i) Males (ii) Females
12. Total number of employees (including those employed through immediate employers) each of whose total emoluments are Rs. 400.00 per mensem or less:
(a) Manual workers:—
(i) No. of Males (ii) No. of Females
(iii) Total of (i) and (ii)
(b) Clerical or supervisory employees:
(i) No. of Males (ii) No. of Females
(iii) Total of (i) and (ii)
(c) Total No. of employees shown in (a) & (b)
13. No. of employees (including those employed through immediate employers) who are paid wages or salaries:

Daily Weekly Fortnight by Monthly Otherwise

(a) Manual worker

(b) Clerical and Supervisory staff

14. (a) Total amount of wages paid in the preceding month to the employees (including those employed through immediate employer) each of whose total emoluments are Rs. 400.00 per mensem or less.....
.....
(b) The number of employees to whom the wages in (a) were paid
15. (i) The first date since 24-2-51 on which 20 persons or more worked in the factory premises.
(ii) Whether 20 or more persons have been employed continuously,
(a) if not, indicate the different dates on which the employment strength reached 20 or more in your factory.....
(b) The last date on which 20 or more persons worked in the factory premises.

I hereby declare that the statement given above is correct to the best of my knowledge and belief.

Date Signature

Place Designation

N. B.—“Changes in the names and addresses of persons mentioned in columns 8(a)(b)(c)(d) should invariably be intimated to the appropriate office of the Corporation as soon as these take place.”

Notes—

1. In answer to query No. 5, complete information is required with regard to the nomenclature of industry and the exact nature of work carried on as a part of that industry. Instead of replying to the query like “textiles”, “chemicals”, “engineering”, the exact nature of work will need to be stated such as “Textiles—cotton knitting” “Chemicals—manufacture of matches”, “Engineering—manufacture of electric motors” etc. etc.
2. “Power” means electrical energy or any other form of energy which is mechanically transmitted and is not generated by human or animal agency.
3. “Immediate Employer” in relation to employees employed by or through him, means a person who has undertaken the execution on the premises of a factory or an establishment to which this Act applies or under the supervision of the principal employer or his agent, of the whole or any part of any work which is ordinarily part of the work of the factory or establishment of the principal employer or preliminary to the work carried on in, or incidental to the purpose of, any such factory or establishment, and includes a person by whom the services of an employee who has entered into a contract of service with him are temporarily lent or let on hire to the principal employer.
4. “Principal Employer” means:—
(i) in a factory, the owner or occupier, of the factory and includes the managing agent of such owner or occupier, the legal representative of a deceased owner or occupier, and where a person has been named as the manager of the factory under the Factories Act, 1948, the person so named, (ii) in any establishment under the control of any department of any Government in India, the authority appointed by such Government in this behalf or where no authority is so appointed, the head of the department, (iii) in any other establishment any person responsible for the supervision and control of the establishment.
5. “Employee” means any person employed for wages in or in connection with the work of a factory or establishment to which this Act applies and (i) who is directly employed by the principal employer on any work of or incidental or preliminary to or connected with the work of the factory or establishment, whether such work is done by the employee, in the factory or establishment or elsewhere; or (ii) who is employed by or through an immediate employer on the premises of the factory or establishment or under the supervision of the principal employer or his agent on work which is ordinary part of the work of the factory or establishment or which is preliminary to the work carried on in or incidental to the purpose of the factory or establishment; or (iii) whose services are temporarily lent or let on hire to the principal employer by the person with whom the person whose services are so lent or let on hire has entered into a contract of service; but does not include:—
(a) any member of the Indian naval, military or air force, or
(b) any person employed on a remuneration which in the aggregate exceeds four hundred rupees a month.
6. “Wages” means all remuneration paid or payable in cash to an employee if the terms of the contract of employment, express or implied were fulfilled and includes other additional remuneration, if any, paid at intervals not exceeding two months, but does not include:—
(a) any contribution paid by the employer to any pension fund or provident fund, or under this Act;
(b) any travelling allowance or the value of any travelling concession;
(c) any sum paid to the person employed to defray special expenses entailed on him by the nature of his employment; or
(d) any gratuity payable on discharge.

By order of the Corporation,

V. M. ALBUQUERQUE
Director General

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

NOTIFICATIONS

New Delhi 1, the 30th September 1959

No. 8-CA(1)/10/59-60—In pursuance of clause (3) of Regulation 10 of the Chartered Accountants Regulations, 1949, it is hereby notified that the Certificates of Practice issued to the following members shall stand cancelled during the period shown against their names, namely:—

Serial No.	Membership No.	Name and Address	Period during which the Certificate shall stand cancelled
1.	4591	Shri Ganapathy Subramaniam A. C. A., C/o Messrs. Meameco (P) Ltd., Post Box No. 33, Turnernagar, Dhanbad. (Bihar).	8-9-1959 to 30-6-1960
2.	4783	Shri Bidhan Chandra Chakrabarti, A.C.A., C/o Shri Abinash Daityari, B.A., Ulubari, Gauhati. (Assam)	1-9-71959 to 30-6-1960

The 8th October 1959

No. 4-CA(1)/10/59-60—In pursuance of Regulation 12 of the Chartered Accountants Regulations, 1949, it is hereby notified that in exercise of the powers conferred by clause (a) of sub-section (1) of Section 20 of the Chartered Accountants Act, 1949, the Council of the Institute of Chartered Accountants of India has removed from the Register of Members, with effect from the 20th day of August 1959, owing to death, the name of Shri Valanjar Kuruvilla Cheriyan, Messrs. Cheriyan & Cheriyan, Chartered Accountants, Nidhiri Buildings, K.K. Road, Kottayam (Membership No. 1849).

E. V. SRINIVASAN
Secretary

New Delhi 1, the 3rd October 1959

No. 1-CA(8)/59—The following draft of certain amendments to the Chartered Accountants Regulations, 1949, which it is proposed to make in exercise of the powers conferred by sub-sections (1) and (3) of Section 30 of the Chartered Accountants Act, 1949 (Act XXXVIII of 1949), is published for information of all persons likely to be affected thereby and notice is hereby given that the draft will be taken up for consideration on or after the 15th November 1959.

Any objection or suggestion which may be received from any person with respect to the said draft before the date specified will be considered by the Council of the Institute of Chartered Accountants of India, New Delhi.

In the said Regulations:—

I. In Regulation 31A, at the end of clause (c), add the word "or".

II. In Regulation 31A, add the following clause (d) between the existing clause (c) and the proviso, namely:—

"(d) has served as an articled clerk for a total period of 3 years or as an audit clerk for a total period of 6 years or partly as an articled clerk and partly as an audit clerk for the total period as specified in this clause, if he has passed the examination prescribed for the Government Diploma in Accountancy before 31st December 1934, or an examination recognised as equivalent thereto by the Regulations for the award of the Government Diploma in Accountancy."

III. In the proviso to Regulation 31A, for the words and brackets "clause (c)", substitute the words and brackets "clauses (c) or (d)".

IV. At the end of sub-clause (c)(i) of Regulation 35, add the following:—

"has passed the Government Diploma in Accountancy Examination or an Examination recognised as equivalent thereto by the Regulations for the award of the Government Diploma in Accountancy; or".

V. In the proviso to Regulation 35A, after the words "applicable to those who" and before the words "had entered into articles or audit service" add the words "have passed

the Government Diploma in Accountancy Examination or an Examination recognised as equivalent thereto by the Regulations for the award of the Government Diploma in Accountancy or who".

VI. At the end of sub-clause (c)(i) of sub-regulation (1A) of Regulation 42A, add the following:—

"has passed the Government Diploma in Accountancy Examination or an Examination recognised as equivalent thereto by the Regulations for the award of the Government Diploma in Accountancy; or".

VII. In the proviso to sub-regulation (2) of Regulation 42A, after the words "applicable to those who" and before the words "had entered into articles or audit service", add the words "have passed the Government Diploma in Accountancy Examination or an Examination recognised as equivalent thereto by the Regulations for the award of the Government Diploma in Accountancy or who".

VIII. Add the following Regulation 59A after the existing Regulation 59; namely:—

"59A. Procedure for transaction of business—(1) The business of the Council shall ordinarily be transacted at a meeting of the Council provided that the President or in his absence the Vice-President may in any appropriate case circulate papers among the members of the Council for the decision of any question:

Provided further that where any eight members of the Council require that any question should be decided at a meeting, the President or in his absence the Vice-President shall withdraw the papers from circulation and have the question determined at a meeting of the Council.

(2) When the papers relating to any question are circulated among members, a period of not less than 15 days commencing from the date of circulation of the papers shall elapse before any decision is taken on the question.

(3) The decision shall be effective only if a majority of the members of the Council communicate their approval in writing.

(4) Every resolution passed or decision taken by circulation of papers shall be communicated to all the members of the Council."

IX. In Regulation 84, substitute the figure and word "60 days" for the figure and word "30 days".

X. Add the following Regulation 89A, after the existing Regulation 89, namely:—

"89A. Cases excluded from the operation of clause (10) of Part I of the First Schedule to the Act—In cases of receivership, bankruptcies and liquidations where the remuneration may be based on a percentage of the realisation and distribution of the assets and in audit of co-operative societies and Estate Duty Valuation, the work accepted by a Chartered Accountant in practice shall be excluded from the operation of clause (10) of Part I of the First Schedule to the Act."

XI. Renumber the existing Regulation 93 as sub-regulation (1) of Regulation 93 and add the following new sub-regulation (2), namely:—

"(2) The Committee concerned may however vary the minimum pass marks at its discretion.

XII. In Regulation 95, substitute the words "in accordance with the directions given by it in the matter." for the words "four months before the date of the commencement of the examination."

XIII. In Regulation 104, substitute the word "approved" for the word "specified" occurring for the second time therein.

XIV. Renumber the existing Regulation 107 as sub-regulation (1) of Regulation 107 and add the following new sub-regulation (2), namely:—

"(2) A candidate shall also be required to appear before an Interview Board that may be appointed by the Committee concerned in this behalf."

XV. For the existing Regulation 108, substitute the following, namely:—

"108. Only those who have completed the practical training, whose thesis has been accepted and who have been successful in the interview shall be eligible for certificate in Form 'MAC-2'."

XVI. In the Schedule, for the existing form "R", substitute the following new form "R", namely:—

FORM "R"

Statement of particulars to be submitted for registration as an audit or articled clerk

1. Name of clerk in full (in capital letters)
2. Father's name
3. Residential address
4. Nationality
5. *Date of birth
6. †Educational Qualifications with the dates of passing the Examinations
7. (i) Enrolment No. as student member of the Coaching Organisation
(ii) In case not yet enrolled, state the date of application made to the Director of Studies, Coaching Board for the purpose.
8. Name and address of the Employer under whom serving

* Applicants are required to produce evidence of their age.

† Original diplomas, certificates and/or documents or attested copies thereof, in support of the qualifications claimed must be sent with the application.

9. Name and address of the previous employer(s) and the period of service under him or them either as an articled clerk or as audit clerk or as both. (Dates of commencement and termination to be given)
10. Articles or Audit Service Registration No., if any
11. Date of commencement of articles or audit service
12. (a) Whether studying for any courses and if so give full particulars as to whether applied for Council's permission
(b) In case permission has already been obtained quote letter No. and date wherein the Council's permission was conveyed
13. (a) Whether engaged in any other occupation or business and if so give full particulars
(b) If permission has already been granted quote the letter No. and date.

I declare that the particulars given above are true and correct to the best of my knowledge and belief and I undertake to intimate to the Council within thirty days any changes that may occur in the information furnished above, during the period of my training for the purposes of the Chartered Accountants Regulations, 1949.

Place

Date

Signature of the
Articled or Audit Clerk

C. C. CHOKSHI
President

